

**NOTICE AND AGENDA - AMENDED**  
**BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT**  
**Regular Meeting**

Notice is given that a meeting of the Big Plains Water and Sewer Special Service District will be held on **Thursday, August 6<sup>h</sup> 2020**, commencing at **6:00 PM** or shortly thereafter at 1777 N Meadowlark Dr, Apple Valley, UT 84737.

Pursuant to the Executive Order issued by Governor Gary Herbert on March 18, 2020 regarding Electronic Public Meetings, please be advised that the meeting will be held electronically and broadcast via Zoom. Persons allowed to comment during the meeting may do so via Zoom. Login to the meeting by visiting <https://us02web.zoom.us/j/89605738448>

To call into the meeting, dial (253) 215 8782 and use Meeting ID 896 0573 8448

The Agenda is as follows:

**Call to Order/ Pledge of Allegiance/ Roll Call**

**CONSENT AGENDA**

*The Consent Portion of the agenda is approved by one (1) non-debatable motion. If any Board Member wishes to remove an item from the Consent Portion of the agenda, that item becomes the first order of business on the Regular Agenda.*

- A. Board Meeting Minutes for April 16, 2020
- B. Board Meeting Minutes for May 7, 2020
- C. Board Meeting Minutes for May 14, 2020
- D. April-June 2020 Expense Report
- E. Fiscal Year 2020 Operational Budget Report
- F. Fiscal Year 2020 Financial Report

**STAFF REPORTS**

1. Dale Harris, Superintendent
2. Rod Mills, District Engineer

**DISCUSSION AND ACTION**

3. Discussion on Cooke Well Report
4. Discussion on Canaan Springs Report
5. Discussion on Capital Improvement study and Zions Bank Water Impact Fee study
6. Discussion on water base rate hardship proposal
7. Statement regarding conduct of a member of the Big Plains SSD Board
8. Presentation of FY20 Fraud Risk Assessment

**ADJOURNMENT**

**CERTIFICATE OF POSTING:** I, Ben Billingsley, as duly appointed Deputy Clerk for the Town of Apple Valley, hereby certify that this notice was posted at the Utah Public Notice website <http://pmn.utah.gov> and the Town Website [www.applevalleyut.gov](http://www.applevalleyut.gov) on the **5<sup>th</sup> day of August, 2020**.

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL COMMUNITY EVENTS AND MEETINGS  
In compliance with the American with Disabilities Act, individuals needing special accommodations (Including auxiliary communicative aids and services) during this meeting should notify the Town of Apple Valley at 435-877-1190.

## OPENING

Chairman Merritt brought the meeting to order at 6:01 p.m. welcoming all in attendance and led the Pledge of Allegiance.

## PRESENT

Chairman Harold Merritt  
Mayor Marty Lisonbee  
Board Member Ross Gregerson  
Board Member Denny Bass  
Board Member Jerry Jorgensen

## DISCUSSION AND ACTION

### 1. Discussion and possible action regarding ECWAG Letter of Intent, Request for Obligation of Funds and Certification of Approval.

The letter simply states that the district will comply with all the requirements of the USDA.

The obligation of funds is a \$150,000 grant and a \$474,000 dollar grant for the collection area at the springs. One other letter is for the cost of engineering. These are not interest loans.

**MOTION:** Chairman Merritt moves to authorize the chairman to sign in approval the letter of intent or letter of request for the obligation of funds for the \$150,000 and \$474,000 grant and that a letter is drafted for the entire project including an outline of all the numbers as shown in the letter from the USDA.

**SECOND:** Board Member Bass

**VOTE:** Chairman Merritt called for a vote:

|                        |     |
|------------------------|-----|
| Board Member Gregerson | Aye |
| Chairman Merritt       | Aye |
| Mayor Lisonbee         | Aye |
| Board Member Bass      | Aye |
| Board Member Jorgensen | Aye |

The vote was unanimous and the motion carried.

**ADJOURNMENT**

**MOTION:** Chairman Merritt moves to adjourn

**SECOND:** Board Member Bass

**VOTE:** Chairman Merritt called for a vote:

Board Member Gregerson Aye

Chairman Merritt Aye

Mayor Lisonbee Aye

Board Member Bass Aye

Board Member Jorgensen Aye

The vote was unanimous and the motion carried.

Meeting adjourned at 6:45 p.m.

Date approved: \_\_\_\_\_

\_\_\_\_\_  
Harold Merritt, Chairman

ATTEST BY: \_\_\_\_\_

Michelle Kinney, Recorder

## OPENING

Chairman Merritt brought the meeting to order at 6:01 p.m. welcoming all in attendance and led the Pledge of Allegiance.

## PRESENT

Chairman Harold Merritt  
Mayor Marty Lisonbee  
Board Member Ross Gregerson  
Board Member Denny Bass  
Board Member Jerry Jorgensen

## CONSENT AGENDA

- A. Board Meeting Minutes for January 2, 2020**
- B. Board Meeting Minutes for February 6, 2020**
- C. Board Meeting Minutes for March 5, 2020**

**MOTION:** Chairman Merritt moves to accept all minutes on the consent agenda

**SECOND:** Board Member Gregerson

**VOTE:** Chairman Merritt called for a vote:

|                        |     |
|------------------------|-----|
| Board Member Gregerson | Aye |
| Chairman Merritt       | Aye |
| Mayor Lisonbee         | Aye |
| Board Member Bass      | Aye |
| Board Member Jorgensen | Aye |

The vote was unanimous and the motion carried.

- D. March 2020 Expense Report**
- E. March 2020 Operational Budget Report**

Chairman Merritt asks what the \$18,000 under professional services for March is for. This charge is primarily for engineering service.

**MOTION:** Chairman Merritt moves to accept the March expense report and operational budget report

**SECOND:** Board Member Bass

**VOTE:** Chairman Merritt called for a vote:

|                        |         |
|------------------------|---------|
| Board Member Gregerson | Aye     |
| Chairman Merritt       | No Vote |

|                        |     |
|------------------------|-----|
| Mayor Lisonbee         | Aye |
| Board Member Bass      | Aye |
| Board Member Jorgensen | Aye |

The vote was unanimous and the motion carried.

## STAFF REPORTS

### 1. Dale Harris, Superintendent

Dale reports that he has been cleaning and inspecting valve boxes. He reports that the hydrant for the Alkema residence has been installed. He reports that the Division of Drinking Water sent a “welcome to the club” letter which is the sampling schedule for Canaan Springs. Dale ran Well 59 to waste for 45 minutes which totaled about 11k gallons. Dale exercised valves in Canaan and made sure the hydrants are all functioning.

### 2. Rod Mills, District Engineer

Rod reports that he continues to work on water rights in order to get all documentation up to date at the correct points of diversion. This is a high priority on his list right now to make sure water rights are secured. Some of the rights in the water bank need to be reconciled. We don't have any active water rights in the Cooke Well so we need to transfer some to the well to keep the paperwork clean.

He has also been looking at a number of developments in Town including the Kaiser Yusuf project. He has also looked at the property across the street from the Cedar Point Subdivision.

The Eckard line extension is also moving forward, which will require a booster station. This will be a 12” line. Some conversation may need to take place regarding cost share. Chairman Merritt inquires if the Gooseberry Preserve project plays into this model. Rod responds that it has been modeled under both scenarios, and he has found that the Eckard line can function without the Gooseberry Preserve project.

Board member Gregerson refers back to the comment about not having water rights in the Cooke well, and asks if the rights in the inactive well could be transferred to the Cooke well, and Rod confirms that this is the plan.

## DISCUSSION AND ACTION

### 3. USDA RD Water Project Update

4. Rod reports that USDA is in receipt of the documentation that triggers the obligation of funds. He reports on the bureaucracy of the documentation required to be submitted. Rod reports that he anticipates the documentation to submit will be complete within a month.

Chairman Merritt reviews the timeline of the project and Rod confirms that the construction won't be completed in time for the summer season.

#### **5. RCAC Rate Study Presentation and Discussion**

Matt Kennedy with RCAC presents the results from the recently completed rate study for the Big Plains.

RCAC has been looking at the systems financials. This includes water sales, asset replacement, debt requirements and reserves.

Three principles are looked at; Are the rates sustainable; Are the rates equitable, one customer group should not be subsidizing another; Are the rates justifiable, this information is based on industry standards (AWA) and district numbers.

Assets, budget, and water sales, and a projection based on previous year's impact fees were reviewed. Adjustments are made for inflation. Debt service reserve is determined by existing loans. They come with conditions of a debt reserve. The target for the district is \$238,180 based on the annual payments; this amount builds up over 10 years.

Operating reserve target is one and a half times of the amount in a billing cycle. This is for when people are unable to pay for the bill one month (like during a pandemic) then the district would still have the funds needed to operate. This amount for the district is \$19,488. Emergency reserve is determined by looking at replacement costs for the most important items in the water system and what are the costs in the past for responding to an emergency. They came up with \$18,000. Capital replacement reserve is based on the current value of an asset without depreciation. USDA rural development requires that \$6,667 is contributed to this annually to cover short lived asset replacement costs. State revolving fund requires 5% of O and M expenses are set aside in a capital facilities reserve. Base rate is figured out by looking at fixed costs. Things that don't change by the amount of water sold. This is personnel costs and debt service requirements. Variable costs are those tied to the amount of water sold. \$113.00 is the ideal number for the base rate. The Board would like to keep the base rate as low as possible and recognize that this number is not realistic. Business as usual will not cover what is necessary going forward.

Matt Kennedy goes over different options on how to bring in the needed amount over the next 5 years. He recommends a large increase this year and then evaluating over the next few years and implementing smaller increases if necessary.

Chairman Merritt would like to have a work meeting to go over options for the districts possible rate increase on Thursday May 14, 2020 at 6:00pm.

**6. Discussion and action regarding adoption of the tentative budget, and set the date for a public hearing for adoption of the final budget**

This item was tabled for the scheduled Thursday work meeting.

**7. Discussion and possible action on Road Repair**

The district is responsible for approximately 756 sq. feet of patch work. This will cost about \$1,500. It will be another \$1,000 on labor to have the work done.

**8. Discuss policy with guidelines for contractor compliance to standards and action for violations**

The District does have a say on who people contract with to work on the Districts lines. The district needs to have minimum standards in place for contractors. Chairman Merritt asks Dale to put something together in policy form for the Board to review.

**ADJOURNMENT**

**MOTION:** Chairperson Merritt moves to adjourn the meeting

**SECOND:** Board Member Bass

**VOTE:** Chairman Merritt called for a vote:

|                        |     |
|------------------------|-----|
| Board Member Gregerson | Aye |
| Chairman Merritt       | Aye |
| Mayor Lisonbee         | Aye |
| Board Member Bass      | Aye |
| Board Member Jorgensen | Aye |

The vote was unanimous and the motion carried.  
Meeting adjourned at 7:57 p.m.

Date approved: \_\_\_\_\_

\_\_\_\_\_  
Harold Merritt, Chairman

ATTEST BY: \_\_\_\_\_  
Ben Billingsley, Deputy Recorder

## OPENING

Chairman Merritt brought the meeting to order at 6:01 p.m. welcoming all in attendance and led the Pledge of Allegiance.

## PRESENT

Chairman Harold Merritt  
Mayor Marty Lisonbee  
Board Member Ross Gregerson  
Board Member Denny Bass  
Board Member Jerry Jorgensen

## DISCUSSION AND ACTION

### **1. DISCUSSION AND ACTION REGARDING ADOPTION OF THE FISCAL YEAR 2020-2021 TENTATIVE BUDGET, AND SET THE DATE FOR A PUBLIC HEARING.**

The district board discusses the budget for the upcoming year. The amount of money needed for one year of system maintenance is historically around 3 thousand dollars. Currently staff uses their own tools as the district doesn't have the money to purchase tools at this time. The money allocated for engineering is also discussed. The Engineering budget is at zero and legal fees are at \$3,000. Big Plains currently has an invoice for \$8,000 in engineering cost that will need to be paid this year or next. This invoice is specifically sighting source protection. Every year engineering work is done so it's recommended that they put something (\$1,000 is suggested) in this budget category. In the future the district would like to pass engineering costs on to the buyers and developers so this shouldn't be a problem. Apple Valley well one and two will be up for source protection updates next year. The board discusses water rights and the interlocal agreement. Talk ensues about the possibility of a pipeline and the expenses associated with that. They schedule having the budget amendment at the next meeting on the 4<sup>th</sup> of June.

### **2. DISCUSSION ON WATER RATES AND THE RECENTLY COMPLETED RCAC RATE STUDY.**

The board discusses the base rate and the RCAC study. Ben gives a quick slide presentation about money in the Districts account. The average amount of cash needed each month is \$36,000. The amount being collected through water sales is about \$18,000. The district brings in about \$5,000 in impact fees per month. This means the district is about \$12,000 negative each month.

The Board discusses the results of Ben's presentation. They give different perspectives on how they should raise the rates. One suggestion is to make a small rate increase this

year. Then watch and see how things fall out next year with the projects that will bring in impact fees. If the situation occurs requiring them to defer a payment how will this impact their ability to put in the pipeline when ready. They conclude that the need for the district to stabilize financially is urgent and the District needs to increase the rate by at least \$20.00 per month.

**MOTION:** Mayor Lisonbee moves to approve the tentative budget with an increase of \$20.00 a month and show a decrease in the expected impact fee requirements.

**SECOND:** Board Member Bass

**VOTE:** Chairman Merritt called for a vote:

|                        |     |
|------------------------|-----|
| Board Member Gregerson | Aye |
| Chairman Merritt       | Aye |
| Mayor Lisonbee         | Aye |
| Board Member Bass      | Aye |
| Board Member Jorgensen | Aye |

#### ADJOURNMENT

**MOTION:** Mayor Lisonbee moves to adjourn the meeting

**SECOND:** Board Member Bass

**VOTE:** Chairman Merritt called for a vote:

|                        |     |
|------------------------|-----|
| Board Member Gregerson | Aye |
| Chairman Merritt       | Aye |
| Mayor Lisonbee         | Aye |
| Board Member Bass      | Aye |
| Board Member Jorgensen | Aye |

The vote was unanimous and the motion carried.

Meeting adjourned at 7:30 p.m.

Date approved: \_\_\_\_\_

\_\_\_\_\_  
Harold Merritt, Chairman

ATTEST BY: \_\_\_\_\_  
Ben Billingsley, Deputy Recorder

**Big Plains Water & Sewer Special Service District**  
**Check Register**  
**Checking - SBSU - 04/01/2020 to 06/30/2020**

| Payee Name                      | Reference Number | Invoice Number   | Invoice Ledger Date | Payment Date | Amount    | Description                             | Ledger Account                     |
|---------------------------------|------------------|------------------|---------------------|--------------|-----------|---|------------------------------------|
| State of Utah                   | 981              | 2 - 2018 Water B | 04/14/2020          | 04/14/2020   | 10,000.00 | Principal - 2018 Water Bond Series B    | 512524.2 - 2018 Water Bond B Rep   |
| RM2 Engineering, LLC            | 977              | 485              | 02/05/2020          | 04/06/2020   | 9,660.00  | Well Source Protection Plan             | 516040 - Professional Service      |
| RM2 Engineering, LLC            | 993              | BP-20-3          | 05/05/2020          | 06/11/2020   | 7,940.00  | Well Source Protection Plan             | 516040 - Professional Service      |
| USDA Rural Development          | 0415207          | 56 - 2014 Water  | 04/15/2020          | 04/15/2020   | 6,493.07  | Interest - 2014 Water Project           | 516080 - Interest Expense          |
| USDA Rural Development          | 0515207          | 57 - 2014 Water  | 05/15/2020          | 05/15/2020   | 6,484.97  | Interest - 2014 Water Project           | 516080 - Interest Expense          |
| USDA Rural Development          | 0615207          | 58 - 2014 Water  | 06/15/2020          | 06/15/2020   | 6,476.84  | Interest - 2014 Water Project           | 516080 - Interest Expense          |
| State of Utah                   | 981              | 2 - 2018 Water B | 04/14/2020          | 04/14/2020   | 3,490.00  | Interest - 2018 Water Bond Series B     | 516080 - Interest Expense          |
| Ruesch & Reeve                  | 998              | 100656-100718    | 06/02/2020          | 06/18/2020   | 3,228.80  | Apr-May Legal Fees                      | 516045 - Legal Fees                |
| RM2 Engineering, LLC            | 977              | 480              | 01/15/2020          | 04/06/2020   | 3,060.00  | As-Builts                               | 516040 - Professional Service      |
| USDA Rural Development          | 0615207          | 58 - 2014 Water  | 06/15/2020          | 06/15/2020   | 2,794.16  | Principal - 2014 Water Project          | 512520.2 - 2015 Water Bond 01 Re   |
| USDA Rural Development          | 0515207          | 57 - 2014 Water  | 05/15/2020          | 05/15/2020   | 2,786.03  | Principal - 2014 Water Project          | 512520.2 - 2015 Water Bond 01 Re   |
| USDA Rural Development          | 0415207          | 56 - 2014 Water  | 04/15/2020          | 04/15/2020   | 2,777.93  | Principal - 2014 Water Project          | 512520.2 - 2015 Water Bond 01 Re   |
| Rocky Mountain Power Company    | ACH              | 062420           | 06/24/2020          | 06/24/2020   | 1,867.21  | Monthly Power                           | 516067 - Utilities                 |
| USDA Rural Development          | 0415206          | 56 - 2014 Water  | 04/15/2020          | 04/15/2020   | 947.04    | Interest - 2014 Water Project Overrun   | 516080 - Interest Expense          |
| USDA Rural Development          | 0515206          | 57 - 2014 Water  | 05/15/2020          | 05/15/2020   | 945.97    | Interest - 2014 Water Project Overrun   | 516080 - Interest Expense          |
| USDA Rural Development          | 0615206          | 58 - 2014 Water  | 06/15/2020          | 06/15/2020   | 944.89    | Interest - 2014 Water Project Overrun   | 516080 - Interest Expense          |
| Rocky Mountain Power Company    | ACH              | 052620           | 05/26/2020          | 05/26/2020   | 871.46    | Monthly Power                           | 516067 - Utilities                 |
| Scholzen Products Company, Inc. | 999              | 6478366          | 06/02/2020          | 06/18/2020   | 670.53    | Meter (1) and Full Meter Box/Setter (1) | 516051 - System Equipment          |
| Rocky Mountain Power Company    | ACH              | 042720           | 04/27/2020          | 04/27/2020   | 653.30    | Monthly Power                           | 516067 - Utilities                 |
| ChemTech-Ford Laboratories      | 991              | 20C1380          | 04/02/2020          | 05/26/2020   | 477.00    | VOC, Inorganics, 200.8                  | 516044 - Water Testing             |
| Pelorus Methods                 | 996              | 060120           | 06/01/2020          | 06/18/2020   | 400.00    | Quarterly Accounting Software           | 516030 - Office Supplies and Expen |
| ChemTech-Ford Laboratories      | 984              | 20C1378          | 05/04/2020          | 05/12/2020   | 395.00    | 1 Radiological 1 Radium-226 Well 3      | 516044 - Water Testing             |
| RM2 Engineering, LLC            | 977              | 485              | 02/05/2020          | 04/06/2020   | 375.00    | Kendra Webb Agreement                   | 516040 - Professional Service      |
| USDA Rural Development          | 0615206          | 58 - 2014 Water  | 06/15/2020          | 06/15/2020   | 324.11    | Principal - 2014 Water Project Overrun  | 512521.2 - 2015 Water Bond 02 - R  |
| USDA Rural Development          | 0515206          | 57 - 2014 Water  | 05/15/2020          | 05/15/2020   | 323.03    | Principal - 2014 Water Project Overrun  | 512521.2 - 2015 Water Bond 02 - R  |
| USDA Rural Development          | 0415206          | 56 - 2014 Water  | 04/15/2020          | 04/15/2020   | 321.96    | Principal - 2014 Water Project Overrun  | 512521.2 - 2015 Water Bond 02 - R  |
| ChemTech-Ford Laboratories      | 994              | 20F0027          | 06/09/2020          | 06/18/2020   | 229.00    | VOC                                     | 516044 - Water Testing             |
| Little Creek Station            | 987              | 033120           | 04/30/2020          | 05/12/2020   | 217.35    | Mar20 Fuel                              | 516061 - Equipment Fuel            |
| The Spectrum                    | 1000             | 3341036          | 05/31/2020          | 06/18/2020   | 187.59    | Public Notice - Rate Increase           | 516021 - Public Postings           |
| Little Creek Station            | 992              | 043020           | 04/30/2020          | 05/26/2020   | 179.40    | Apr20 Fuel                              | 516061 - Equipment Fuel            |
| Revco Leasing                   | 980              | 033120           | 03/31/2020          | 04/14/2020   | 151.20    | Printer Lease                           | 516030 - Office Supplies and Expen |
| Revco Leasing                   | 990              | 565849           | 05/05/2020          | 05/12/2020   | 151.20    | Printer Lease                           | 516030 - Office Supplies and Expen |
| Revco Leasing                   | 997              | 568636           | 06/02/2020          | 06/18/2020   | 151.20    | Printer Lease                           | 516030 - Office Supplies and Expen |
| Apple Valley Self Storage       | ACH              | 040120           | 04/01/2020          | 04/01/2020   | 80.00     | Storage Unit                            | 516050 - System Maintenance and    |
| Apple Valley Self Storage       | ACH              | 060120           | 06/01/2020          | 06/01/2020   | 80.00     | Storage Unit                            | 516050 - System Maintenance and    |
| Apple Valley Self Storage       | CC               | 050120           | 05/01/2020          | 05/01/2020   | 80.00     | Storage Unit                            | 516050 - System Maintenance and    |
| Merritt, Harold                 | 979              | 033120           | 03/31/2020          | 04/14/2020   | 78.30     | Feb20 Mileage 135                       | 516023 - Travel/Fuel               |
| VISA                            | ACH              | 041020           | 04/10/2020          | 04/10/2020   | 61.14     | Fedex                                   | 516032 - Postage                   |
| VISA                            | CC               | 051120           | 05/11/2020          | 05/11/2020   | 58.05     | Walmart - print supplies                | 516030 - Office Supplies and Expen |
| Merritt, Harold                 | 988              | 043020           | 04/30/2020          | 05/12/2020   | 52.20     | Apr20 Mileage 90 miles                  | 516023 - Travel/Fuel               |
| Apple Valley Self Storage       | ACH              | 061020           | 06/10/2020          | 06/10/2020   | 48.11     | Steamroller                             | 516030 - Office Supplies and Expen |
| City of St. George              | 978              | 05266            | 04/06/2020          | 04/14/2020   | 45.00     | Water Tests                             | 516044 - Water Testing             |
| City of St. George              | 985              | 05357            | 05/06/2020          | 05/12/2020   | 45.00     | Water Tests                             | 516044 - Water Testing             |
| City of St. George              | 995              | 05542            | 06/03/2020          | 06/18/2020   | 45.00     | Water Testing                           | 516044 - Water Testing             |
| Merritt, Harold                 | 979              | 033120           | 03/31/2020          | 04/14/2020   | 38.86     | Mar20 Mileage 67                        | 516023 - Travel/Fuel               |
| Scholzen Products Company, Inc. | 989              | 6464240-00       | 04/16/2020          | 05/12/2020   | 33.35     | 2.5 FNST to .75 MGHT                    | 516050 - System Maintenance and    |
| State of Utah                   | 983              | 041420           | 04/14/2020          | 04/14/2020   | 25.00     | Lt. Governor Registration               | 516045 - Legal Fees                |
| The Spectrum                    | 982              | 3260430          | 03/31/2020          | 04/14/2020   | 20.83     | Public Notice                           | 516021 - Public Postings           |

**Big Plains Water & Sewer Special Service District  
Check Register  
Checking - SBSU - 04/01/2020 to 06/30/2020**

| <u>Payee Name</u>              | <u>Reference Number</u> | <u>Invoice Number</u> | <u>Invoice Ledger Date</u> | <u>Payment Date</u> | <u>Amount</u>      | <u>Description</u>               | <u>Ledger Account</u>          |
|--------------------------------|-------------------------|-----------------------|----------------------------|---------------------|--------------------|----------------------------------|--------------------------------|
| VISA                           | ACH                     | 041020                | 04/10/2020                 | 04/10/2020          | 12.75              | Car wash                         | 516060 - Equipment Maintenance |
| Apple Valley Self Storage      | ACH                     | 061020                | 06/10/2020                 | 06/10/2020          | 10.00              | Visa Annual Fee                  | 516035 - Bank Service Charges  |
| Utah State Division of Finance | Correction              | 041420                | 04/14/2020                 | 04/14/2020          | 0.01               | Interest Correction              | 516080 - Interest Expense      |
| State of Utah                  | 981                     | 3F290                 | 04/14/2020                 | 04/14/2020          | -0.01              | Interest Amortization Correction | 516080 - Interest Expense      |
| Utah State Division of Finance | Correction              | 3F290                 | 04/14/2020                 | 04/14/2020          | -0.01              | Interest Correction              | 516080 - Interest Expense      |
|                                |                         |                       |                            |                     | <b>\$76,788.82</b> |                                  |                                |

## Big Plains Water & Sewer Special Service District

### Operational Budget Report

51 Big Plains Water & Sewer SSD - 07/01/2019 to 06/30/2020

100.00% of the fiscal year has expired

|                                       | Prior YTD          | Current Month    | Current YTD        | Annual Budget     | Percent Used   |
|---------------------------------------|--------------------|------------------|--------------------|-------------------|----------------|
| <b>Income or Expense</b>              |                    |                  |                    |                   |                |
| <b>Income From Operations:</b>        |                    |                  |                    |                   |                |
| <b>Operating income</b>               |                    |                  |                    |                   |                |
| 5140 Water Sales                      | 185,421.70         | 22,440.75        | 207,786.62         | 186,048.00        | 111.68%        |
| 5150 Water Standby Fees               | 36,693.62          | 2,755.00         | 32,947.64          | 32,886.00         | 100.19%        |
| 5310 Connection Fees                  | 34,887.97          | 1,000.00         | 20,000.00          | 65,000.00         | 30.77%         |
| 5410 Late Penalties and Fees          | 5,257.23           | 0.00             | 0.00               | 5,000.00          | 0.00%          |
| 5490 Other Operating Income           | 30,565.45          | 6,367.40         | 18,390.40          | 12,000.00         | 153.25%        |
| <b>Total Operating income</b>         | <b>292,825.97</b>  | <b>32,563.15</b> | <b>279,124.66</b>  | <b>300,934.00</b> | <b>92.75%</b>  |
| <b>Operating expense</b>              |                    |                  |                    |                   |                |
| 6010 Clerical Contractor Labor        | 0.00               | 0.00             | 0.00               | 0.00              | 0.00%          |
| 6011 Town Payroll Services            | 429.91             | 0.00             | 0.00               | 0.00              | 0.00%          |
| 6013 Water Salaries and Wages         | 45,006.00          | 3,462.00         | 45,006.00          | 45,000.00         | 100.01%        |
| 6014 Water Benefits                   | 24,845.18          | 1,919.25         | 24,563.47          | 26,193.00         | 93.78%         |
| 6015 Admin Salaries and Wages         | 23,704.89          | 0.00             | 0.00               | 0.00              | 0.00%          |
| 6016 Admin Benefits                   | 12,830.96          | 0.00             | 0.00               | 0.00              | 0.00%          |
| 6021 Public Postings                  | 806.60             | 161.53           | 400.50             | 239.00            | 167.57%        |
| 6023 Travel/Fuel                      | 820.57             | 55.68            | 966.86             | 1,042.00          | 92.79%         |
| 6024 Training                         | 295.00             | 0.00             | 0.00               | 0.00              | 0.00%          |
| 6025 Books/Subscriptions/Memberships  | 989.96             | 0.00             | 716.00             | 716.00            | 100.00%        |
| 6030 Office Supplies and Expenses     | 7,322.24           | 599.31           | 4,105.95           | 4,151.00          | 98.91%         |
| 6032 Postage                          | 907.70             | 0.00             | 132.89             | 150.00            | 88.59%         |
| 6035 Bank Service Charges             | 2,439.74           | 10.00            | 11.25              | 1.00              | 1,125.00%      |
| 6036 Bad Debt                         | 0.00               | 0.00             | 0.00               | 0.00              | 0.00%          |
| 6040 Professional Service             | 10,716.37          | 0.00             | 26,673.56          | 26,674.00         | 100.00%        |
| 6043 Accounting & Audit Fees          | 6,610.52           | 0.00             | 6,920.89           | 6,921.00          | 100.00%        |
| 6044 Water Testing                    | 7,308.09           | 1,529.00         | 5,692.00           | 4,000.00          | 142.30%        |
| 6045 Legal Fees                       | 5,548.98           | 4,912.00         | 5,713.00           | 1,600.00          | 357.06%        |
| 6050 System Maintenance and Repairs   | 3,487.74           | 80.00            | 2,797.52           | 3,000.00          | 93.25%         |
| 6051 System Equipment                 | 10,823.69          | 2,745.57         | 6,617.46           | 4,800.00          | 137.86%        |
| 6052 Well Maintenance and Repairs     | 3,572.09           | 0.00             | 1,304.92           | 1,900.00          | 68.68%         |
| 6053 Tank Maintenance and Repairs     | 4,350.00           | 0.00             | 0.00               | 0.00              | 0.00%          |
| 6060 Equipment Maintenance            | 2,992.76           | 0.00             | 3,959.62           | 4,500.00          | 87.99%         |
| 6061 Equipment Fuel                   | 2,847.19           | 0.00             | 2,125.75           | 2,570.00          | 82.71%         |
| 6067 Utilities                        | 10,038.78          | 1,867.21         | 13,973.65          | 15,482.45         | 90.25%         |
| 6068 Telephone & Internet             | 552.67             | 0.00             | 0.00               | 0.00              | 0.00%          |
| 6070 Insurance                        | 4,644.46           | 0.00             | 4,086.67           | 4,776.00          | 85.57%         |
| 6095 Depreciation Expense             | 134,012.52         | 11,245.60        | 134,768.84         | 134,769.00        | 100.00%        |
| <b>Total Operating expense</b>        | <b>327,904.61</b>  | <b>28,587.15</b> | <b>290,536.80</b>  | <b>288,484.45</b> | <b>100.71%</b> |
| <b>Total Income From Operations:</b>  | <b>(35,078.64)</b> | <b>3,976.00</b>  | <b>(11,412.14)</b> | <b>12,449.55</b>  | <b>-91.67%</b> |
| <b>Non-Operating Items:</b>           |                    |                  |                    |                   |                |
| <b>Non-operating income</b>           |                    |                  |                    |                   |                |
| 5510 Grants                           | 38,000.00          | 0.00             | 0.00               | 0.00              | 0.00%          |
| 5515 Bond Proceeds                    | 0.00               | 0.00             | 0.00               | 0.00              | 0.00%          |
| 5520 Impact Fees                      | 197,572.82         | 23,565.00        | 82,093.29          | 241,500.00        | 33.99%         |
| 5610 Interest Income                  | 3,136.15           | 55.94            | 2,633.23           | 2,400.00          | 109.72%        |
| 5680 Contributed Capital Revenue      | 0.00               | 0.00             | 0.00               | 0.00              | 0.00%          |
| 5690 Sundry Revenue                   | 0.00               | 0.00             | 0.00               | 0.00              | 0.00%          |
| 5700 Gain or Loss on Plant Retirement | 0.00               | 0.00             | 0.00               | 0.00              | 0.00%          |
| <b>Total Non-operating income</b>     | <b>238,708.97</b>  | <b>23,620.94</b> | <b>84,726.52</b>   | <b>243,900.00</b> | <b>34.74%</b>  |
| <b>Non-operating expense</b>          |                    |                  |                    |                   |                |
| 6080 Interest Expense                 | 94,608.85          | 7,421.73         | 93,152.22          | 93,282.00         | 99.86%         |
| <b>Total Non-operating expense</b>    | <b>94,608.85</b>   | <b>7,421.73</b>  | <b>93,152.22</b>   | <b>93,282.00</b>  | <b>99.86%</b>  |
| <b>Total Non-Operating Items:</b>     | <b>144,100.12</b>  | <b>16,199.21</b> | <b>(8,425.70)</b>  | <b>150,618.00</b> | <b>-5.59%</b>  |
| <b>Total Income or Expense</b>        | <b>109,021.48</b>  | <b>20,175.21</b> | <b>(19,837.84)</b> | <b>163,067.55</b> | <b>-12.17%</b> |

**Big Plains Water & Sewer Special Service District**

Standard Financial Report

51 Big Plains Water & Sewer SSD - 07/01/2019 to 06/30/2020

100.00% of the fiscal year has expired

|   | <u>Prior Year<br/>Actual</u> | <u>June Actual</u> | <u>Current Year<br/>Actual</u> |
|---|------------------------------|--------------------|--------------------------------|
| <b>Net Position</b>                       |                              |                    |                                |
| <b>Assets:</b>                            |                              |                    |                                |
| <b>Current Assets</b>                     |                              |                    |                                |
| <b>Cash and cash equivalents</b>          |                              |                    |                                |
| 1111 Checking                             | 28,990.46                    | 3,170.73           | 48,677.81                      |
| 1113 SBSU Construction Checking           | 0.00                         | 100.00             | 100.00                         |
| 1122 PTIF 8032 Impact Fees                | 15,036.45                    | 0.02               | 23.42                          |
| 1123 PTIF 8339 Savings                    | 28,263.27                    | 2.96               | 3,805.40                       |
| 1124 PTIF 7840 Well 59 Escrow             | 41,321.94                    | 32.86              | 42,193.12                      |
| 1126 PTIF 8667 Reserves                   | 64,571.30                    | 20.10              | 25,804.25                      |
| 1130 Xpress Bill Pay Clearing             | (112.20)                     | 0.00               | 0.00                           |
| 1175 Undeposited Receipts                 | 216.74                       | 0.00               | 29.00                          |
| 1191.1 Restricted Cash                    | 243,410.85                   | 0.00               | 243,410.85                     |
| 1191.2 Restricted Cash Offset             | (243,410.85)                 | 0.00               | (243,410.85)                   |
| <b>Total Cash and cash equivalents</b>    | <b>178,287.96</b>            | <b>3,326.67</b>    | <b>120,633.00</b>              |
| <b>Receivables</b>                        |                              |                    |                                |
| 1311 Accounts Receivable                  | (270.34)                     | 0.00               | (755.25)                       |
| 1421 Due from General Fund                | 57,602.89                    | 22,280.96          | 80,177.91                      |
| <b>Total Receivables</b>                  | <b>57,332.55</b>             | <b>22,280.96</b>   | <b>79,422.66</b>               |
| <b>Total Current Assets</b>               | <b>235,620.51</b>            | <b>25,607.63</b>   | <b>200,055.66</b>              |
| <b>Non-Current Assets</b>                 |                              |                    |                                |
| <b>Capital assets</b>                     |                              |                    |                                |
| <b>Work in Process</b>                    |                              |                    |                                |
| 1601 Work in Progress                     | 4,680.00                     | 0.00               | 4,680.00                       |
| <b>Total Work in Process</b>              | <b>4,680.00</b>              | <b>0.00</b>        | <b>4,680.00</b>                |
| <b>Property</b>                           |                              |                    |                                |
| 1610 Land                                 | 21,507.00                    | 0.00               | 21,507.00                      |
| 1611 Water Rights                         | 996,483.17                   | 0.00               | 996,483.17                     |
| 1621 Source Structures & Improvements     | 1,126,637.87                 | 0.00               | 1,135,187.87                   |
| 1631 Source Supply Mains                  | 2,972,575.06                 | 0.00               | 2,972,575.06                   |
| 1632 Storage Tanks and Reservoirs         | 1,137,795.73                 | 0.00               | 1,137,795.73                   |
| 1633 Meters                               | 1,436.16                     | 0.00               | 1,436.16                       |
| 1661 Power Operated Equipment             | 39,452.00                    | 0.00               | 39,452.00                      |
| 1662 Office Equipment                     | 2,679.99                     | 0.00               | 2,679.99                       |
| <b>Total Property</b>                     | <b>6,298,566.98</b>          | <b>0.00</b>        | <b>6,307,116.98</b>            |
| <b>Accumulated depreciation</b>           |                              |                    |                                |
| 1721 A/D Source Structures & Improvements | (76,673.07)                  | (2,418.93)         | (105,521.87)                   |
| 1731 A/D Source Supply Mains              | (322,292.66)                 | (6,192.86)         | (396,606.98)                   |
| 1732 A/D Storage Tanks and Reservoirs     | (174,107.02)                 | (2,370.41)         | (202,551.94)                   |
| 1733 A/D Meters                           | (295.23)                     | (23.94)            | (582.51)                       |
| 1761 A/D Power Operated Equipment         | (10,009.26)                  | (228.13)           | (12,746.82)                    |
| 1762 A/D Office Equipment                 | (2,130.30)                   | (11.33)            | (2,266.26)                     |
| <b>Total Accumulated depreciation</b>     | <b>(585,507.54)</b>          | <b>(11,245.60)</b> | <b>(720,276.38)</b>            |
| <b>Total Capital assets</b>               | <b>5,717,739.44</b>          | <b>(11,245.60)</b> | <b>5,591,520.60</b>            |
| <b>Total Non-Current Assets</b>           | <b>5,717,739.44</b>          | <b>(11,245.60)</b> | <b>5,591,520.60</b>            |
| <b>Total Assets:</b>                      | <b>5,953,359.95</b>          | <b>14,362.03</b>   | <b>5,791,576.26</b>            |
| <b>Liabilities and Fund Equity:</b>       |                              |                    |                                |
| <b>Liabilities:</b>                       |                              |                    |                                |
| <b>Current liabilities</b>                |                              |                    |                                |
| 2131 Accounts Payable                     | (27,625.24)                  | 2,886.75           | (29,446.42)                    |
| 2211 Accrued Payroll Payable              | (1,406.58)                   | 94.59              | (1,313.17)                     |
| 2212 Payroll Liability Clearing           | (776.56)                     | (241.08)           | (1,016.46)                     |
| 2221 Accrued SS, MC & FIT Payable         | (702.96)                     | (34.84)            | (730.36)                       |
| 2222 Accrued state WTH Payable            | (394.02)                     | (138.15)           | (398.51)                       |
| 2224 Accrued Health Insurance Payable     | 0.00                         | 127.64             | 127.64                         |
| 2230 Deposits Payable                     | (5,000.00)                   | 0.00               | (5,000.00)                     |
| 2300 Accrued Interest                     | (4,309.76)                   | 0.00               | (4,309.76)                     |
| <b>Total Current liabilities</b>          | <b>(40,215.12)</b>           | <b>2,694.91</b>    | <b>(42,087.04)</b>             |
| <b>Long-term liabilities</b>              |                              |                    |                                |
| 2510.1 2012 Water Project Issued          | (2,540,000.00)               | 0.00               | (2,540,000.00)                 |
| 2510.2 2012 Water Project Repaid          | 425,000.00                   | 0.00               | 510,000.00                     |
| 2510.3 2012 Water Project Current         | (85,000.00)                  | 0.00               | (85,000.00)                    |

**Big Plains Water & Sewer Special Service District**  
**Standard Financial Report**  
**51 Big Plains Water & Sewer SSD - 07/01/2019 to 06/30/2020**  
**100.00% of the fiscal year has expired**

|  | <b>Prior Year<br/>Actual</b> | <b>June Actual</b> | <b>Current Year<br/>Actual</b> |
|--|------------------------------|--------------------|--------------------------------|
| 2510.4 2012 Water Project Current Offset       | 85,000.00                    | 0.00               | 85,000.00                      |
| 2515.1 2014 2004 F-250 Issued                  | (18,000.00)                  | 0.00               | (18,000.00)                    |
| 2515.2 2014 2004 F-250 Repaid                  | 18,000.00                    | 0.00               | 18,000.00                      |
| 2520.1 2015 Water Bond 01 Issued               | (2,364,800.00)               | 0.00               | (2,364,800.00)                 |
| 2520.2 2015 Water Bond 01 Repaid               | 113,964.48                   | 2,794.16           | 146,963.25                     |
| 2520.3 2015 Water Bond 01 Current              | (32,998.77)                  | 0.00               | (32,998.77)                    |
| 2520.4 2015 Water Bond 01 Offset               | 32,998.77                    | 0.00               | 32,998.77                      |
| 2521.1 2015 Water Bond 02 - Issued             | (300,000.00)                 | 0.00               | (300,000.00)                   |
| 2521.2 2015 Water Bond 02 - Repaid             | 13,035.65                    | 324.11             | 16,854.65                      |
| 2521.3 2015 Water Bond 02 - Current            | (3,819.00)                   | 0.00               | (3,819.00)                     |
| 2521.4 2015 Water Bond 02 - Current Offset     | 3,819.00                     | 0.00               | 3,819.00                       |
| 2522.1 2016 Aquafer Study - Issued             | (41,000.00)                  | 0.00               | (41,000.00)                    |
| 2522.2 2016 Aquafer Study - Repaid             | 16,000.00                    | 0.00               | 24,000.00                      |
| 2522.3 2016 Aquafer Study - Current            | (8,000.00)                   | 0.00               | (8,000.00)                     |
| 2522.4 2016 Aquafer Study - Current Offset     | 8,000.00                     | 0.00               | 8,000.00                       |
| 2523.1 2018 Water Bond A Issued                | (88,000.00)                  | 0.00               | (88,000.00)                    |
| 2523.2 2018 Water Bond A Repaid                | 4,000.00                     | 0.00               | 8,000.00                       |
| 2523.3 2018 Water Bond A Current               | (4,000.00)                   | 0.00               | (4,000.00)                     |
| 2523.4 2018 Water Bond A Offset                | 4,000.00                     | 0.00               | 4,000.00                       |
| 2524.1 2018 Water Bond B Issued                | (362,000.00)                 | 0.00               | (362,000.00)                   |
| 2524.2 2018 Water Bond B Repaid                | 13,000.00                    | 0.00               | 23,000.00                      |
| 2524.3 2018 Water Bond B Current               | (13,000.00)                  | 0.00               | (13,000.00)                    |
| 2524.4 2018 Water Bond B Offset                | 13,000.00                    | 0.00               | 13,000.00                      |
| <b>Total Long-term liabilities</b>             | <b>(5,110,799.87)</b>        | <b>3,118.27</b>    | <b>(4,966,982.10)</b>          |
| <b>Total Liabilities:</b>                      | <b>(5,151,014.99)</b>        | <b>5,813.18</b>    | <b>(5,009,069.14)</b>          |
| <b>Equity - Paid In / Contributed</b>          |                              |                    |                                |
| 2940.1 Bond Restricted                         | (132,031.80)                 | 0.00               | (132,031.80)                   |
| 2940.2 Restricted - Bond Reserve Fund          | (51,000.00)                  | 0.00               | (51,000.00)                    |
| 2950 Restricted - Capital Facility Replacement | (60,379.05)                  | 0.00               | (60,379.05)                    |
| 2981 Retained Earnings                         | (558,934.11)                 | (20,175.21)        | (539,096.27)                   |
| <b>Total Equity - Paid In / Contributed</b>    | <b>(802,344.96)</b>          | <b>(20,175.21)</b> | <b>(782,507.12)</b>            |
| <b>Total Liabilities and Fund Equity:</b>      | <b>(5,953,359.95)</b>        | <b>(14,362.03)</b> | <b>(5,791,576.26)</b>          |
| <b>Total Net Position</b>                      | <b>0.00</b>                  | <b>0.00</b>        | <b>0.00</b>                    |

**Big Plains Water & Sewer Special Service District**

**Standard Financial Report**

**51 Big Plains Water & Sewer SSD - 07/01/2019 to 06/30/2020**

**100.00% of the fiscal year has expired**

|                                      | <u>Prior Year<br/>Actual</u> | <u>June Actual</u> | <u>Current Year<br/>Actual</u> | <u>Original<br/>Budget</u> | <u>Revised<br/>Budget</u> |
|--------------------------------------|------------------------------|--------------------|--------------------------------|----------------------------|---------------------------|
| <b>Income or Expense</b>             |                              |                    |                                |                            |                           |
| <b>Income From Operations:</b>       |                              |                    |                                |                            |                           |
| <b>Operating income</b>              |                              |                    |                                |                            |                           |
| 5140 Water Sales                     | 185,421.70                   | 22,440.75          | 207,786.62                     | 186,048.00                 | 186,048.00                |
| 5150 Water Standby Fees              | 36,693.62                    | 2,755.00           | 32,947.64                      | 32,886.00                  | 32,886.00                 |
| 5310 Connection Fees                 | 34,887.97                    | 1,000.00           | 20,000.00                      | 65,000.00                  | 65,000.00                 |
| 5410 Late Penalties and Fees         | 5,257.23                     | 0.00               | 0.00                           | 5,000.00                   | 5,000.00                  |
| 5490 Other Operating Income          | 30,565.45                    | 6,367.40           | 18,390.40                      | 12,000.00                  | 12,000.00                 |
| <b>Total Operating income</b>        | <b>292,825.97</b>            | <b>32,563.15</b>   | <b>279,124.66</b>              | <b>300,934.00</b>          | <b>300,934.00</b>         |
| <b>Operating expense</b>             |                              |                    |                                |                            |                           |
| 6011 Town Payroll Services           | 429.91                       | 0.00               | 0.00                           | 0.00                       | 0.00                      |
| 6013 Water Salaries and Wages        | 45,006.00                    | 3,462.00           | 45,006.00                      | 45,000.00                  | 45,000.00                 |
| 6014 Water Benefits                  | 24,845.18                    | 1,919.25           | 24,563.47                      | 26,193.00                  | 26,193.00                 |
| 6015 Admin Salaries and Wages        | 23,704.89                    | 0.00               | 0.00                           | 0.00                       | 0.00                      |
| 6016 Admin Benefits                  | 12,830.96                    | 0.00               | 0.00                           | 0.00                       | 0.00                      |
| 6021 Public Postings                 | 806.60                       | 161.53             | 400.50                         | 675.00                     | 239.00                    |
| 6023 Travel/Fuel                     | 820.57                       | 55.68              | 966.86                         | 1,500.00                   | 1,042.00                  |
| 6024 Training                        | 295.00                       | 0.00               | 0.00                           | 300.00                     | 0.00                      |
| 6025 Books/Subscriptions/Memberships | 989.96                       | 0.00               | 716.00                         | 750.00                     | 716.00                    |
| 6030 Office Supplies and Expenses    | 7,322.24                     | 599.31             | 4,105.95                       | 3,500.00                   | 4,151.00                  |
| 6032 Postage                         | 907.70                       | 0.00               | 132.89                         | 0.00                       | 150.00                    |
| 6035 Bank Service Charges            | 2,439.74                     | 10.00              | 11.25                          | 0.00                       | 1.00                      |
| 6040 Professional Service            | 10,716.37                    | 0.00               | 26,673.56                      | 5,000.00                   | 26,674.00                 |
| 6043 Accounting & Audit Fees         | 6,610.52                     | 0.00               | 6,920.89                       | 6,000.00                   | 6,921.00                  |
| 6044 Water Testing                   | 7,308.09                     | 1,529.00           | 5,692.00                       | 4,000.00                   | 4,000.00                  |
| 6045 Legal Fees                      | 5,548.98                     | 4,912.00           | 5,713.00                       | 10,000.00                  | 1,600.00                  |
| 6050 System Maintenance and Repairs  | 3,487.74                     | 80.00              | 2,797.52                       | 7,000.00                   | 3,000.00                  |
| 6051 System Equipment                | 10,823.69                    | 2,745.57           | 6,617.46                       | 9,000.00                   | 4,800.00                  |
| 6052 Well Maintenance and Repairs    | 3,572.09                     | 0.00               | 1,304.92                       | 2,500.00                   | 1,900.00                  |
| 6053 Tank Maintenance and Repairs    | 4,350.00                     | 0.00               | 0.00                           | 5,750.00                   | 0.00                      |
| 6060 Equipment Maintenance           | 2,992.76                     | 0.00               | 3,959.62                       | 3,000.00                   | 4,500.00                  |
| 6061 Equipment Fuel                  | 2,847.19                     | 0.00               | 2,125.75                       | 2,500.00                   | 2,570.00                  |
| 6067 Utilities                       | 10,038.78                    | 1,867.21           | 13,973.65                      | 15,000.00                  | 15,482.45                 |
| 6068 Telephone & Internet            | 552.67                       | 0.00               | 0.00                           | 0.00                       | 0.00                      |
| 6070 Insurance                       | 4,644.46                     | 0.00               | 4,086.67                       | 5,000.00                   | 4,776.00                  |
| 6095 Depreciation Expense            | 134,012.52                   | 11,245.60          | 134,768.84                     | 135,000.00                 | 134,769.00                |
| <b>Total Operating expense</b>       | <b>327,904.61</b>            | <b>28,587.15</b>   | <b>290,536.80</b>              | <b>287,668.00</b>          | <b>288,484.45</b>         |
| <b>Total Income From Operations:</b> | <b>(35,078.64)</b>           | <b>3,976.00</b>    | <b>(11,412.14)</b>             | <b>13,266.00</b>           | <b>12,449.55</b>          |
| <b>Non-Operating Items:</b>          |                              |                    |                                |                            |                           |
| <b>Non-operating income</b>          |                              |                    |                                |                            |                           |
| 5510 Grants                          | 38,000.00                    | 0.00               | 0.00                           | 0.00                       | 0.00                      |
| 5520 Impact Fees                     | 197,572.82                   | 23,565.00          | 82,093.29                      | 234,000.00                 | 241,500.00                |
| 5610 Interest Income                 | 3,136.15                     | 55.94              | 2,633.23                       | 2,400.00                   | 2,400.00                  |
| <b>Total Non-operating income</b>    | <b>238,708.97</b>            | <b>23,620.94</b>   | <b>84,726.52</b>               | <b>236,400.00</b>          | <b>243,900.00</b>         |
| <b>Non-operating expense</b>         |                              |                    |                                |                            |                           |
| 6080 Interest Expense                | 94,608.85                    | 7,421.73           | 93,152.22                      | 93,282.00                  | 93,282.00                 |
| <b>Total Non-operating expense</b>   | <b>94,608.85</b>             | <b>7,421.73</b>    | <b>93,152.22</b>               | <b>93,282.00</b>           | <b>93,282.00</b>          |
| <b>Total Non-Operating Items:</b>    | <b>144,100.12</b>            | <b>16,199.21</b>   | <b>(8,425.70)</b>              | <b>143,118.00</b>          | <b>150,618.00</b>         |
| <b>Total Income or Expense</b>       | <b>109,021.48</b>            | <b>20,175.21</b>   | <b>(19,837.84)</b>             | <b>156,384.00</b>          | <b>163,067.55</b>         |



## Fraud Risk Assessment

### INSTRUCTIONS:

- Reference the *Fraud Risk Assessment Implementation Guide* to determine which of the following recommended measures have been implemented.
- Indicate successful implementation by marking “Yes” on each of the questions below.
- Total the points of the questions marked “Yes” and put on the “Total Points Earned” line below.
- Using the points earned, circle the risk level on the “Risk Level” line below.

Total Points Earned: 280 Risk Level: Very Low Low Moderate High Very High  
> 355 316-355 276-315 200-275 < 200

|  | Yes | Pts |
|--|-----|-----|
| 1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?   | 200 | 200 |
| 2. Does the entity have written policies in the following areas:   |     |     |
| a. Conflict of interest?   | 5   | 5   |
| b. Procurement?  | 5   | 5   |
| c. Ethical behavior?   | 5   | 5   |
| d. Reporting fraud and abuse?  | 5   | 5   |
| e. Travel?   | 5   | 5   |
| f. Credit/Purchasing cards (where applicable)?   | 0   | 5   |
| g. Personal use of entity assets?  | 5   | 5   |
| h. IT and computer security?   | 0   | 5   |
| i. Cash receipting and deposits?   | 0   | 5   |
| 3. Does the entity have a licensed or certified expert as part of its management team? (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO)  | 0   | 20  |
| a. Do any members of the management team have at least a bachelor's degree in accounting?  | 10  | 10  |
| 4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?   | 0   | 20  |
| 5. Have all of the board members completed the State Auditor online training at least once in the last four years?   | 20  | 20  |
| 6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year? | 20  | 20  |
| 7. Does the entity have or promote a fraud hotline?  | 0   | 20  |
| 8. Does the entity have a formal internal audit function?  | 0   | 20  |
| 9. Does the entity have a formal audit committee?  | 0   | 20  |

Certified By: \_\_\_\_\_ Certified By: \_\_\_\_\_

\* MC = Mitigating Control

# Basic Separation of Duties

See page 2 of this questionnaire for instructions and definitions.

|   | Yes | No | MC* | N/A |
|---|-----|----|-----|-----|
| 1. Does the entity have a board chair, clerk, and treasurer who are three separate people?  | x   |    |     |     |
| 2. Are all the people who are able to receive cash or check payments different from all of the people who are able to make general ledger entries?  |     |    | x   |     |
| 3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check "N/A".  |     |    | x   |     |
| 4. Are all the people who have access to blank checks different from those who are authorized signers?  | x   |    |     |     |
| 5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?  | x   |    |     |     |
| 6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts?   | x   |    |     |     |
| 7. Are original credit/purchase card statements received directly from the card company by someone other than the card holder? If no credit/purchase cards, check "N/A".  | x   |    |     |     |
| 8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? If no credit/purchase cards, check "N/A".  | x   |    |     |     |
| 9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? If no credit/purchase cards, check "N/A". | x   |    |     |     |
| 10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?  | x   |    |     |     |
| 11. Does someone authorize payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".  | x   |    |     |     |
| 12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".   | x   |    |     |     |



## Basic Separation of Duties

### Continued

**Instructions:** Answer questions 1-12 on the Basic Separation of Duties Questionnaire using the definitions provided below.

☑ If all of the questions were answered “Yes” or “No” with mitigating controls (“MC”) in place, or “N/A,” the entity has achieved adequate basic separation of duties.

☹ If any of the questions were answered “No,” and mitigating controls are not in place, the entity has not achieved adequate basic separation of duties.

### Definitions:

**Board Chair** is the elected or appointed chairperson of an entity’s governing body, e.g. Mayor, Commissioner, Councilmember or Trustee. The official title will vary depending on the entity type and form of governments.

**Clerk** is the bookkeeper for the entity, e.g. Controller, Accountant, Auditor or Finance Director. Though the title for this position may vary, they validate payment requests, ensure compliance with policy and budgetary restrictions, prepare checks, and record all financial transactions.

**Chief Administrative Officer (CAO)** is the person who directs the day-to-day operations of the entity. The CAO of most cities and towns is the mayor, except where the city has a city manager. The CAO of most local and special districts is the board chair, except where the district has an appointed director. In school districts, the CAO is the superintendent. In counties, the CAO is the commission or council chair, except where there is an elected or appointed manager or executive.

**General Ledger** is a general term for accounting books. A general ledger contains all financial transactions of an organization and may include sub-ledgers that are more detailed. A general ledger may be electronic or paper based. Financial records such as invoices, purchase orders, or depreciation schedules are not part of the general ledger, but rather support the transaction in the general ledger.

**Mitigating Controls** are systems or procedures that effectively mitigate a risk in lieu of separation of duties.

**Original Bank Statement** means a document that has been received directly from the bank. Direct receipt of the document could mean having the statement 1) mailed to an address or PO Box separate from the entity’s place of business, 2) remain in an unopened envelope at the entity offices, or 3) electronically downloaded from the bank website by the intended recipient. The key risk is that a treasurer or clerk who is intending to conceal an unauthorized transaction may be able to physically or electronically alter the statement before the independent reviewer sees it.

**Treasurer** is the custodian of all cash accounts and is responsible for overseeing the receipt of all payments made to the entity. A treasurer is always an authorized signer of all entity checks and is responsible for ensuring cash balances are adequate to cover all payments issued by the entity.